




# Positioning Your Firm

Design firms constantly need to think about how they present themselves. Presentation is the basis for business development. We talk about this in the form of marketing and selling design services. Marketing comprises all the activities that build the relationship between the designer and client, including product development, research, and promotion. Selling is a process of educating and communicating directly with potential buyers. It begins when you attract their attention and continues through developing their interest and giving them the information that helps them evaluate the decision. It ends with the commitment.

Just as McDonald's learned to sell hamburgers and hospitals learned to sell medicine, interior designers need to learn to market and present design services. Many designers have a built-in aversion to selling. The word has so many negative connotations. I don't want to sell or to persuade. I want to educate and communicate with clients to help them make informed choices.

Designers need to develop techniques of communicating effectively with the particular client group they seek. The firm that knows both how to market and how to communicate is most likely to get the business. Clients sometimes call us about a project for purely emotional reasons. They may want a more inspiring environment, or they may have specific design problems to solve. Either way, they consider their issues critical.



A designer's business is to solve problems that the client cannot or does not want to solve alone. It is the designer's job to identify the problem, and through technical skill and expertise, demonstrate an ability to solve problems. To sell their services, interior designers must show that they are businesspeople who understand construction, scheduling, and budgets.

It is up to the designer to educate the consumer through marketing. Only an informed consumer can differentiate between partial service and full service, unqualified and qualified designers. Designers like to believe that they can rely on referrals as their major marketing tool. But any informed firm knows that this is no longer enough. Established firms can lose jobs to inexperienced newcomers to the field who have sophisticated techniques to market their design skills.

In order to be effective, market development must be a highly systematized, structured process, with exact schedules, measurements, and reviews of each part of the process—from defining your market and making the first contact, through writing proposals into production and follow-up.

The purpose of the marketing plan is to help your firm focus directly on the type of work that is most appropriate and profitable for it. The marketing plan is also designed to help you understand who you are, what you really want, and how to attain your goals. After all, as a designer, you want to create your own destiny. You don't want to sit there and wait for something to happen; chances are that what happens won't be right. You want to design your firm to enhance your chances for success. Obtaining the wrong business doesn't really develop a design studio; it can only destroy it.



What does it really take to devise a program that is profitable and directly related to securing the appropriate business for your firm?

First, what projects are appropriate? A big part of marketing is defining what type of work is best for your firm and refining that definition as your market changes. You need to think about who you are. You need to analyze your values, systems, mission, and exactly where you want to be.

You must look at who your clients are. Any good program is a partnership or marriage between a client and a firm with capabilities that complement the client's needs. It is a mistake to place your entire emphasis on existing or prospective clients and overlook in-house capabilities.

## Building Your Definition


In the design field, each of us comes from a different background, a different school, a different part of the country. We have aptitudes in many varied areas. Some of us are involved with very technical work and



very detailed contract specifications. Others are doing highly inventive work. Each of these different design disciplines has its own management requirements. Each specialty has its own vocabulary, so the process must be designed to meet its requirements.

Your marketing plan helps you set a direction. It is essential to approaching the right kind of client. It also helps you to minimize day-to-day problems. If you are going in 74 directions, you cannot be effective or achieve professional results. You—and everyone who works with you—need to understand your goals and where you are going, in order to work in the same direction. Mutual understanding will eliminate a good deal of confusion. Directed firms don't waste as much time with crisis management.

With a proactive, progressive approach, you spend time directing and staying on track, and therefore you achieve greater results. You are also able to maximize your own potential. In some instances, this progressive approach may require a firm to alter its qualifications and, to some extent, retrain the staff or team with other specialists. You know what the needs are. You've explored them with your clients and reviewed the current market. You've looked at what other design firms and specialists are doing. You really have an understanding of the demands of today's market.



The most effective way to achieve your goals is to create a MAP (Multiple Action Plan). Figure out where you want to be and decide on the best ways to get there. As you work on your marketing plan, it is important to focus on your abilities and resources, to consider how you can relate to your clients, and to offer the best possible product. Today our clients want exceptional design. Having the ability to do exceptional work efficiently with appropriate prices is the key to building a client base.

For a marketing plan to be valuable, dedication and a regular schedule are required. You must act consistently, not just when business is poor, to obtain the results you want. This is the benefit of a good marketing plan: It provides your firm with opportunities—opportunities that would not exist otherwise. It gives you the chance to create your future.

A marketing plan takes both management and leadership. Every person in the firm, starting with the CEO, must be dedicated to this plan. In addition, someone must manage the plan's direction to make sure that every phone call, networking system, meeting, and whatever bridging systems you use are accomplished. Each person in the firm must be involved, but someone must be responsible for managing the process.

You need a specific structure to ensure that your firm operates productively. Building a client base requires consistency. Be sure you are able to fulfill any commitments you make; otherwise, you will neither be able to build your clients' trust nor make these marketing systems work. Select your actors, and direct their roles with flair.



## Successful Design Firms

Today's successful firms are very heavily market driven. They are based on what the clients need and want to purchase. Those firms understand exactly how their clients perceive them and how the firms, in turn, perceive their needs. Design firms that spend time researching and developing clients find it easier to obtain, produce, and complete projects. A great deal of time is invested in this process, and it pays off a hundredfold.

Take into account that it costs you nine times as much to attract a new client as it does to retain an existing one. A client who has worked with you before knows your firm, knows your strengths, and knows exactly how to work with you. You stand a greater chance of winning a good, profitable job from an existing client than from a new one.

Very few firms can operate up to capacity without a marketing program. You need an ongoing program, most likely led by the chief executive officer, especially in the smaller firms. The leader must see this as his or her most important job and be ready to dedicate whatever it takes to make the program work. If you work alone, and many of us do, you need to dedicate a portion of your time each week to marketing. For example, you may simply set aside two hours each morning for working on the marketing program before attending to anything else. If your firm is large enough, you may be able to assign the day-to-day management of the program to someone else.





Consider the current trends. We are in a very competitive period, a period when even the best-known design firms must invest in sales development to maintain their shares of the market. Projects are awarded to firms that have something exceptional to offer. They must also have the ability to handle the needs of the client. They must understand their clients' needs and be willing to be part of their teams.

The goal is to build long-term relationships with clients who appreciate our work. This requires a special type of staff that understands it is strategic to be client-oriented. Every staff member, vendor, and craftsman working on a client's project must realize that maintaining a good relationship is critical. We expect to be with these clients as long as they have any type of design needs. We become part of their company or family. This type of relationship leads to great opportunities for high-level work, as well as a profitable practice. It's less expensive to keep our clients happy than to get new ones.

Let's look at who needs what we are able to provide. Not everyone needs or wants our services, in which case we'd better find another client. Who is looking for what we have? Who is making changes? What are the geographic limitations for managing the type of work we do best? What production methods and details should be considered? You must answer these questions before defining the "best" client.

Success in this marketplace calls for ability, understanding, planning, and maintenance.





Interior designers need basic technical ability, backed up by good resources and staff who know how to complete a job successfully without too many problems.

We must understand our market, our clients. What are they all about? What are their particular likes, desires, and interests? What do they want from us?

We must have a method of bridging, of building a link between our firm and our clients. Once built, the link needs constant maintenance. We must adhere to a consistent schedule for client contact so that we see them eye to eye, person to person as often as possible. Clients don't want distant design experts today; they want designers who understand their special needs and are ready to respond.

The reasons for buying architecture, engineering, and all areas of design services have changed considerably. Today's clients look for a firm that can produce a creative job. It is of utmost importance that the firm has the ability to complete the job using great craftspeople and artistry, within the expected budget and time. Budgets on large projects can often be based on a percentage of business completed. There are many different financial ways of coming up with these numbers. The designer selected may be the one who is able to perform best within that budget. At other times, projects have unlimited budgets. Design professionals may be asked to team up with other contractors to provide the owner with a single contract for a complete project.


Our success as designers isn't simply based on how creative we are, but on how well we understand our clients' professional or personal requirements and whether we can deliver this highly technical knowledge. It isn't just the beauty of the design that matters, but how efficiently and economically we can deliver it.

Most clients like to hire someone that they feel they know and trust; the investment is heavy, and the project is important to them. Building that rapport and developing that communication system with the client is very important; it must start long before that job is awarded.

You have to understand your abilities as a design team, including the production abilities of your sources. You must research and define the best client group for your firm, then specifically select that target group and develop a bridging system. Many of these systems are presented in the section on bridging techniques—including advertising and promotion, networking, and other ways of acquainting yourself with these people and creating a bridge between the right firm and the right client.

I think you can see that building your marketing program doesn't stop when you win the project. It continues throughout the job in the way you present yourself, the way staff members relate to clients, and how well they do their jobs. The paper hanger out on your project is either enhancing your firm's reputation or destroying your job.

There are many ways to develop your lifestyle to complement your marketing program. Everything you do, from where and how you live,



to your hobbies and where you do your grocery shopping, affects your position as a designer.

## Focus Your Market

Focusing on a particular segment of the overall market improves a firm's chances for positioning and success; this way the firm can concentrate on identifying and acquiring the best clients and using its talents to the greatest potential. For instance, have you thought about what your firm will need in terms of outside human and material resources, consultants, other professionals, and products?

Focusing increases efficiency: Once you know where you're going, you can direct your energies accordingly, making your firm better able to compete for work that might not have been attainable previously. The commitment to competitiveness is stimulating—the staff reaps greater rewards.

Marketing efforts are expensive, both in time invested and money spent. To limit the costs of your marketing efforts, confine your market area to those individuals or organizations that need what your firm can provide.



## Success



Success in business is based on:

1. The client. Today's clients come first. They want what they want. If you can't do it, there are plenty of others out there who will. Today's clients are also very knowledgeable. They have extensive and global resources, often reaching information sources faster than the designer. On the whole we're dealing with a very educated and interested group of people. They want what we offer, but they also expect us to consider their input as well. Our field is ever so transparent.
2. Communication ability. Most of the ability to develop your position in a company depends on your ability to communicate. Often it is the simple, everyday issues such as a lack of clear communication that build or destroy a job. Sometimes we forget or just don't think these small things are noticed. They, like housework, are most noticeable in their absence.
3. Teamwork. We cannot work alone and accomplish the masterful level of design work we all desire. We must be able to build an appropriate team to complete the job. This takes many levels of experience. It also requires consideration and an understanding of the team's various crafts and disciplines. The interior designer is

the design coordinator. Like an orchestra leader, we must be sure everyone is playing the same music.

4. Speed. Today most clients expect results fast. They see things delivered within several hours; therefore, they expect us to be able to do the same. This is possible in many situations. But if a project is going to take an extensive period of time, we must be able to explain to the clients why this time investment is required, so they'll be willing to wait.
5. Change. This is the only thing you can count on. Fortunately, interior design is based on change. Each part of your work and career will be constantly in the process of redesign. Fortunately, we were trained for this. This is part of the character of interior design.

Before you begin your marketing plan, it's important to define carefully what you want your company to be and what its demands are (Figure 1-1). An independent practitioner with very low overhead can accept quite-different jobs than a large firm with a considerable overhead. Designers often select their work systems not by choice but by the type of jobs they want to acquire. In some instances, designers are working alone, teaming virtually with other high-level professionals, so they have the flexibility to take on very creative jobs at a high level in a practical fashion. They can have the flexibility to be creative and move on to other more unusual projects. In other cases, companies establish a structure that permits them to service particular types of clients quickly and efficiently. Before you begin your marketing plan, look at what you want your business to be. What is the basis of your income? What type of services do you produce? Define your type of clients and projects, the staff needed, other professionals required, and the income expected. What do you consider success?

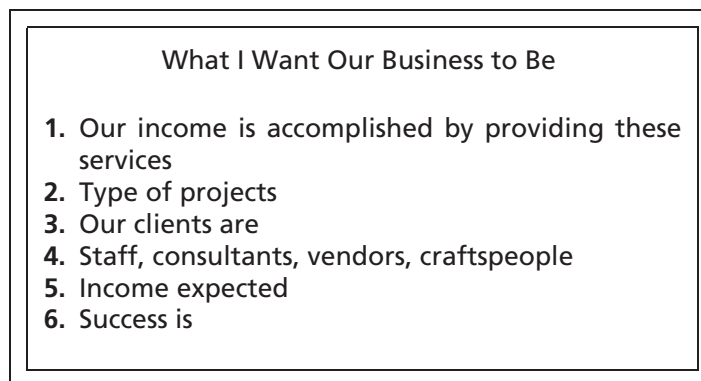






Figure 1-1



A marketing plan begins with the aim of our practice, exactly what we do. What are our past accomplishments? What makes our firm different from other firms? What do we really do with excellence?

What do we want to do within the next three years? It's almost impossible to plan for a longer period of time, but in order to keep challenged and excited, we need a projected design goal. We need to know what our company aims to do and can accomplish in the next few years.

The next issue is geographic. In a very detailed residential practice, it's often desirable to work with a team. Therefore, it's more practical to work within a certain distance. The distance may vary depending on your location and type of services.

The next consideration is the size and type of projects. In this situation, you will want to consider the projects that are most profitable. Sometimes a large project can take so long it can prove too expensive to manage. More medium-sized projects can turn over more quickly and be easier to manage; therefore, they may be more financially profitable.

Last of all, if we reach our goals in three years, what will we be doing? How do you visualize your firm? What do you hope to accomplish?

You can use the following example as a reference (Figure 1-2).



| AIM OF OUR PRACTICE  | Hospitality                                      | Health/Medical  | Residential   |
|--|--|---|---|
| WHAT WE DO   | Design and specify only; design and supply parts | Turnkey (complete job)                                  | Research, design, specify detail, secure items needs, supervise the process |
| OUR ACCOMPLISHMENTS  | Leader in hospitality                            | Great experience in nursing homes                       | Historic restoration  |
| WORK THAT IS APPROPRIATE TO OUR FIRM WITHIN THE NEXT 3 YEARS | Expand to other countries; hotel chains          | Retirement centers with rehabilitation, assisted living | Work with finer artists and master craftspeople                             |
| PRACTICAL GEOGRAPHIC RANGE TO WORK                           | Worldwide  | Within 200 miles  | Within 100 miles  |
| TYPICAL-SIZED PROJECTS                                       | \$5 million to \$1 billion                       | \$100 million to \$500 million                          | \$1 million+  |
| IF WE REACH OUR GOALS IN NEXT 3 YEARS, WE WILL BE DOING      | Exceptional high levels, varied hotel owners     | Projects for resort-type residences for aging           | High budget with antiques of special quality; publishable work              |

Figure 1-2 Examples of three different types of firms.

